

BERKSHIRE WIND POWER COOPERATIVE CORPORATION

MEMBERSHIP MEETING

SHREWSBURY ELECTRIC LIGHT & CABLE OPERATIONS
100 MAPLE AVENUE
SHREWSBURY, MA

NOVEMBER 30, 2016
10:00 AM

REGULAR SESSION

MINUTES

1. CALL TO ORDER

Chairman Driscoll stated that a quorum was present and called the Regular Session of the Berkshire Wind Power Cooperative Corporation Membership meeting to order at 10:10 AM.

Those present:

MEMBERS

John Driscoll, Templeton; Peter Dion Wakefield; Sean Hamilton, Sterling; Glenn Trueira, Peabody; Michael Hale, Shrewsbury; Kevin Kelly, Groton; Mark Barakian, Boylston; Andrew Hadden, Marblehead; Jim Robinson, Holden; and Mike Rivers, Ashburnham.

OTHERS

Nicholas J. Scobbo Jr., Clerk; and Tammy Kane, Recording Secretary, Ferriter Scobbo & Rodophele, PC; Edward Kaczinski, Director - Engineering & Generation Assets, MMWEC; and Carol Martucci, Director of Accounting & Financial Reporting, MMWEC.

2. APPROVAL OF AGENDA

A motion to approve the agenda was made by Kelly and seconded by Dion and it was unanimously voted [Barakian not present yet] to approve the agenda as presented.

3. MINUTES

A motion to approve the Regular Session Minutes of the December 16, 2015 Membership Meeting was made by Kelly and seconded by Dion and on a voice vote it was unanimously voted to approve the Regular Session Minutes of the December 16, 2015 Membership Meeting with Rivers abstaining.

4. ELECTION OF CHAIRMAN AND OFFICERS

Scobbo stated the current Officers of the Cooperative are Peter Dion, President; Ronald C. DeCurzio, Treasurer; and Nicholas J. Scobbo, Jr., Clerk.

A motion was made by Hale and seconded by Kelly to move the slate of the current officers and on a unanimous voice vote, it was voted that:

Vote: Mem 16-01 Peter Dion be elected President; Ronald C. DeCurzio, Treasurer; and Nicholas J. Scobbo, Jr, Clerk

The Board of Directors elects the Chairman of the Berkshire Wind Power Cooperative Corporation Board of Directors.

5. REVIEW OF PROJECT STATUS AND OPERATION

b. **Operations/Status.** Kaczenski reviewed the November 30, 2016 Annual Update.

Capacity Factor for the year was 35.9%, 39.7% for the month of October and 36.4% since COD. There was a three and a half day outage in February and other outages (eight in total), due to weather events and Verizon equipment failure. There was a revenue loss of approximately \$90,000. MMWEC will pursue reimbursement of lost revenues from Verizon.

Kaczenski provided an update on blade inspections and circuits/guard signal transmission options. There is leading edge erosion on all blades. Kaczenski stated one blade had sustained lightning damage, which will be addressed in December. There are three guard signals that transmit to the Cooperative, one is National Grid's Adams Substation and two are Eversource substations, Partridge and Doreen. The Cooperative will trip if Adams and Doreen signals are both interrupted and will trip if Partridge alone trips. Partridge is the most crucial signal. Options to increase reliability for the Partridge guard signal were briefly discussed. Eversource has indicated any new fiber cable would have to be completely new and dedicated to the guard signal. Current available fiber strands cannot be utilized. Scobbo stated there are DPU tariffs on this subject. The group does not want to pay anyone to put additional signals over a circuit the Cooperative has already paid for and built.

[Barakian arrives]

a. **2017 O&M Budget.** Kaczenski and Martucci distributed: 1) the 2016 Actuals through September; 2) the 2016 4th quarter Budget Forecast; and 3) the 2017 Budget Proposal. Kaczenski stated the project is going into its sixth year of operation. Blade inspections were conducted and blade repairs were done in 2016. Assuming a normal winter, there will be additional erosion next year and more blades to repair.

Kaczenski reviewed the 2016 O&M actuals and stated several factors caused a budget underrun. Significant line items that contributed to the variance include a decrease in MMWEC staff for on-site operations, lower legal costs due to less than anticipated activity and lower landowner payments in proportion to lower revenues.

Kaczenski reviewed the 2017 O&M Proposed Budget and highlighted significant line item increases which include adding redundant TRR communications and the aforementioned blade

repairs. Decreases in line items are the same as those decreases for the 2016 O&M actuals. In response to questions, Kaczinski addressed three line item questions: 1) Line 28, the central vibration monitoring system charge was a one-time charge last year so there is no amount budgeted for 2016-2017; 2) Line 31, a 40 ft. shipping container was purchased by the Cooperative for on-site storage purposes; and 3) Line 57, Kaczinski will look into whether this item, Workers Comp Insurance, is needed.

Martucci addressed the debt service section in the 2017 Budget Proposal. She stated next year there will be a surplus. The Member monthly billing collections this year were higher due to a full year of reserve collections. The Bond Trustee previously said a 10% reserve was needed, but this is not the case. Scobbo stated this 10% was akin to a Reserve and Contingency. Martucci stated that the Cooperative has an adequate cash reserve.

Martucci responded to a question that when she receives the REC payments she sends checks to the Members. She asked if the Members would agree with her suggestion that rather than sending the REC checks to each Member, she be allowed to apply the REC monies as credits on the individual monthly billings over the succeeding next three months for efficiency purposes. Martucci stated the REC credit amount would be shown on the invoices so Members would know what they received in REC payments. All present were in agreement and approved of this requested change.

Martucci reviewed the Revenue & Expense Report. There is an 8% "loss" since last year. One of the big changes is LNP's and lower energy revenues.

Martucci stated she is working on internal changes and will compile a monthly report which she will attach to the Member monthly billings.

Hamilton asked about curtailment. Kaczinski stated if the LNP's go to \$40 negative, MMWEC will initiate curtailment. He will look into further curtailment.

Scobbo asked if consideration has been given to re-financing the debt. There is a ten year waiting period in which the interest rate is locked in so there would be penalties for a re-financing. Scobbo mentioned the possibility of a tender.

Having no further discussion, a Motion was made by Driscoll and seconded by Kelly and on the basis of a roll call vote as follows:

It was voted:

Vote MEM 16-02 To approve the 2017 O&M Budget for the Berkshire Wind Power Cooperative Corporation as proposed and presented.

MMWEC will re-circulate the 2017 O&M Budget after this meeting to reflect a numerical correction made during the meeting.

c. **Chairman's Report.** Driscoll asked if the Members could get monthly numbers for the project. Martucci responded that this was something she could do and stated the project has a high fixed cost.

6. OTHER

Hamilton thanked Kaczenski for his efforts on the project throughout the year.

7. EXECUTIVE SESSION

A motion was made by Hamilton and seconded by Kelly to enter into Executive Session for purposes of approving the Executive Session Minutes of December 16, 2015 and to discuss strategy with respect to litigation and trade secrets and to re-convene the Membership Meeting in Regular Session for purposes of adjournment. On the basis of a roll-call vote as follows:

Barakian	"aye"
Dion	"aye"
Driscoll	"aye"
Hadden	"aye"
Hale	"aye"
Hamilton	"aye"
Kelly	"aye"
Rivers	"aye"
Robinson	"aye"
Trueira	"aye"

The Executive Session of the Membership Meeting commenced at 11:19 AM.

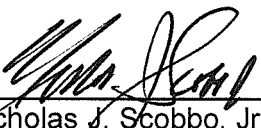
The Regular Session of the Membership Meeting reconvened at 11:59 AM.

A motion to adjourn was made by Hamilton and seconded by Robinson and it was unanimously voted to adjourn the meeting.

Chairman Driscoll declared the Berkshire Wind Power Cooperative Corporation Membership meeting adjourned at 12:00 PM.

A TRUE RECORD

ATTEST: _____



Nicholas J. Scobbo, Jr., Clerk
Berkshire Wind Power Cooperative Corporation